



MEDIA RELEASE

STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE

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CONSUMER AFFAIRS WILL MEDIATE FOR HOMEOWNERS

NEW 'PROBLEM CONTRACTOR' LIST ESTABLISHED

NASHVILLE - After a year-long investigation of Tennessee consumers' complaints regarding residential contractors, the state is changing the way it investigates and mediates complaints by homeowners, Commerce and Insurance Commissioner Paula Flowers announced today.

“For years, our Consumer Affairs Division has successfully mediated consumer complaints for thousands of Tennesseans – on everything from rebates to fitness clubs. Now we’re putting them to work for homeowners who need help dealing with contractors,” said Flowers.

The new Consumer Affairs program is called CHAMP – the Contractor/Homeowner Accountability and Mediation Program.

“When a complaint is filed, it will be investigated and, if appropriate, turned over to Consumer Affairs to be mediated through CHAMP,” said Flowers. “Contractors who are not responsive to mediation will be placed on the new Problem Contractors List,” maintained on our website at www.state.tn.us/consumer.

“The complaint also will be forwarded to the Board for Licensing Contractors for review and possible disciplinary action,” said Flowers. “But Consumer Affairs will be there to help the consumer and the contractor work things out – and that’s an important public service. In addition to contacting the Board of Licensing Contractors, consumers also will have another resource to check when hiring a contractor.”

Consumer Affairs Director Mary Clement said she looks forward to assisting Tennessee’s homeowners. “There are a lot of good, conscientious people in the contracting and home improvement business, who work hard to maintain a good reputation. I’m looking forward to working with them to clear up problems and misunderstandings.”

Clement said the new Problem Contractor List will function similarly to Consumer Affairs’ existing Buyer Beware List, which lists those businesses who fail to respond to consumer complaints filed with the Division. The mediation program will cover complaints filed with the Board for Licensing Contractors and the Home Improvement Commission.

The administrative change is part of a continuing effort to improve the accountability, credibility and effectiveness of the state’s regulatory system.

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Asst. Commissioner Robert Gowan said he hopes the move will help encourage standards of good business practice in the residential contracting industry. ``Homeowners have come to us with unfortunate and frustrating stories regarding their disputes with contractors, complaining that our previous system within the Contractor's Board did nothing for them. That's changing now."

``The reform of our handling of contractors complaints is only one step in a continuing effort to make the state's regulatory system responsive, credible and accountable to the public," said Gowan.

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